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**Acton-Boxborough  
Regional School  
District**

# Memo

cc: BOS  
STAFF NEEDS YOUR DIRECTION,  
PLEASE.

**To:** Don Johnson  
**From:** Sharon Summers *SS*  
**CC:** Bill Ryan, MaryJo Bates, John Murray  
**Date:** 02/07/03  
**Re:** Invoice for George Malone CPA Services

On January 7, 2003, the Trustees of the Joint Claims Trust Fund voted to approve the payment of \$11,300 to George L. Malone, CPA, PC, for the FY02 independent audit of the Joint Claims Health Insurance Trust. The December 13, 2002 invoice was subsequently forwarded to Town Hall for payment from the trust fund. In checking the status of that payment, the trustees were advised that the invoice was being held.

It was a unanimous decision of the trustees to hire an independent auditor to examine the accounting and financial status of the Health Insurance Trust. In addition to performing the audit, and providing a log of time expended on the project, the auditor gave valuable insight to the trustees on the condition of the trust, and made excellent recommendations to improve the workings of the trust. The independent auditor's report was also utilized to complete the FY02 audit of the Town of Acton.

Recommendations received from the independent auditor included:

1. To explore the reporting entity since multiple entity trust funds are generally created as stand-alone purchase groups rather than internal service funds.
2. To prepare monthly invoices to each entity to improve internal control.
3. To adopt a fund balance policy with a note that an industry standard fund balance reserve is typically approximately two months of costs.

4. To improve financial reporting to the trustees, entities and other interested parties.

If you need any additional information, please do not hesitate to call me. The trustees request that this invoice be paid on the next warrant.

**John Murray**

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**From:** John Murray  
**Sent:** Tuesday, October 29, 2002 12:49 PM  
**To:** Sharon Summers  
**Cc:** Mary Jo Bates (mjbates@actonh2o.com)  
**Subject:** The proposed change order of Malone & company

I am perplexed by the change order request (CO). On its face it appears to state that there was an agreement to provide the Auditors with accrual based financials. As you know, from your years as Town Accountant, we keep the books on a cash basis and previously have had the Town's auditor convert them to an accrual basis.

Have I correctly interpreted the CO? If so, who agreed to provide financials on an accrual basis and why?

As for doubling the cost, I am in disbelief.

For the record the BOS have instructed both Steve and I not to make any payment to Malone and company, at this time.

I have attached a PDF copy of the CO for my records.

*John Murray*

-----Original Message-----

From: John Murray

Sent: Thursday, December 19, 2002 12:04 PM

To: Sharon Summers

Cc: Mary Jo Bates

Subject: RE: RE: Meeting of Trustees

Rm .121 is available from 10 - 1 on the 7th.

As a note: the BOS has instructed that no payment be made and they need to sign the warrant to authorize payment. Do you wish to address them on Jan. 13?

[John Murray]

I have only copied the appropriate section of a rather long e-mail.

# GEORGE I. MALONE, CPA, PC

and Public Accountants

100 Brewster Office Park

Baystate Court

Massachusetts 02631

(508) 240-1511

(508) 240-2758

Acton Public Schools  
Acton-Boxborough Regional School District  
16 Charter Road  
Acton MA 01720  
(978) 264-4700 X 3204 - Fax (978) 263-8409

Date:

1/7/03

To:

Karen Bucala

From:

Barbara Wheeler

December 13, 2002

Can this be put on  
the next available  
warrant?

INVOICE

Thanks  
BHW

To the Acton/Acton-Boxborough  
Joint Claims Trust Fund  
c/o Sharon L. Summers, Finance Director  
Acton-Boxborough Regional School District  
16 Charter Road  
Acton, MA 01720

For professional services rendered in the audit of Acton/Acton-Boxborough Joint Claims  
Trust Fund for the year ended June 30, 2002.

100% complete

\$11,300

Approved by Trustees 1/7/03

Sharon L. Summers, Chairman

to be paid from Insurance Trust fund # 51

MEMBER OF

American Institute of Certified Public Accountants  
Massachusetts Society of Certified Public Accountants, Inc.